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USTR FOR ASUTR CUTLER
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TAGS: [ECON](#) [EAGR](#) [ETRD](#) [JA](#) [CM](#)
SUBJECT: AMBASSADOR SCHIEFFER AND CHIEF CABINET SECRETARY
DISCUSS BEEF

Classified By: Ambassador J.Thomas Schieffer, for Reasons 1.4 (b) & (d)

¶1. (C) During a June 15 meeting with Chief Cabinet Secretary Abe, the Ambassador pressed for the formal reopening of Japan,s market for U.S. beef prior to the Prime Minister,s visit to Washington at the end of June. The Ambassador explained that we were concerned that if the ban was not lifted by the time of the visit, this issue might languish for months. If this occurred, the Ambassador warned, it would be extremely embarrassing to the President and destructive to our relationship. Abe offered instead a "de facto" decision to re-open the market by the time of the Prime Minister,s visit and said that he was confident that Minister of Health, Labor and Welfare Kawasaki would go along with this decision, now that the Diet has passed his top priority, a major health care reform bill. Abe insisted that Japan could send only three teams to audit U.S. beef facilities. End summary

2.. (C) During a June 15 meeting, the Ambassador and Chief Cabinet Secretary Abe discussed efforts to lift Japan,s ban on the import of U.S. beef. Abe began by promising to work closely with the U.S. until he saw American beef on the tables of Japanese households. To accomplish this objective, Abe said, it was important for the U.S and Japan to work closely together. The Ambassador replied that BSE was a thorny and difficult issue. We were concerned that if the market was not reopened before the Prime Minister,s visit to Washington, we would lose momentum and the issue would languish for months.

¶3. (C) Abe said that he understood this position. Having said that, it was very important that the GOJ not appear to be making a decision to reopen the beef market in response to the upcoming meeting of the Prime Minister and the President. As a result, Abe said, he hoped that we could make the decision to start the process leading to the reopening of the market. This would be a de facto decision to reopen, he asserted. If we can make this decision then this issue will be substantively resolved when the Prime Minister visits the U.S, even though U.S. beef will not be physically present in the Japanese market.

¶4. (C) The Ambassador asked if Abe could provide assurance that Japan would lift its ban on U.S. beef immediately after the Prime Minister,s visit. Abe replied that, frankly, there were some parts of the GOJ that remained cautious. But Abe had personally made up his mind to make the decision to lift the ban before the Prime Minister,s visit. The

Ambassador pointed out that was what concerned us. Minister of Labor, Health and Welfare (MLHW) Kawasaki had made clear that he still has reservations. We were concerned that after the Summit, he will reassert himself and the process will be delayed. Should that happen, it would be very embarrassing and destructive to our relationship. Abe said that he had talked to Kawasaki many times about the beef issue and that he was confident that Kawasaki would go along with a said decision to reopen the market.

5.. (C) The Ambassador asked Abe to clarify why the GOJ would only send three teams to audit U.S. beef facilities. Abe stated that MLHW was short-staffed and had initially insisted that it could only send two teams. The GOJ had then added MAFF personnel so that three teams could be sent to the U.S. This was the maximum number of teams that could be sent, he said.

16. (C) Abe said the end of the current Diet session this week was an important factor to consider. During this session, MLHW was responsible for an important health reform bill. This is why MLHW Minister Kawasaki had been so cautious on beef. If the Diet,s Health and Labor Committee had taken up discussion on beef, this would have delayed consideration of the health reform bill and this would have had significant budget ramifications. Fortunately this bill has just been passed making it easier for the GOJ to make its "de facto" decision.

SCHIEFFER